

UNION PACIFIC RAILROAD  
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Chicago, Illinois 60606-1718

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July 21, 2011

**VIA E-FILING**

The Honorable Cynthia T. Brown  
Chief, Section of Administration  
Surface Transportation Board  
395 E Street, S.W., Room #100  
Washington, DC 20423-0001

ENTERED  
Office of Proceedings

JUL 26 2011

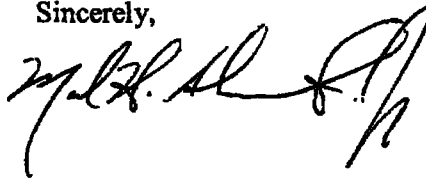
Part of  
Public Record

**RE: Abandonment of the McHenry Industrial Lead from Milepost 21.25 to  
Milepost 26.43 in Modesto, Escalon, San Joaquin and Stanislaus Counties,  
California; STB Docket AB-33 (Sub-No. 278X)**

Union Pacific Railroad Company ("Union Pacific") has received a request from the City of Modesto ("City") dated July 19, 2011 for an additional 90-day extension in which to complete negotiations for the acquisition under the provisions 16 U.S.C. §1247(d) and 49 C.F.R. § 1152.29 regarding that portion of the Union Pacific's right-of-way known as the McHenry Industrial Lead from Milepost 21.25 to Milepost 26.43 in Modesto, Escalon, San Joaquin and Stanislaus Counties, California.

The Union Pacific is willing to continue negotiating with the City concerning the acquisition of the subject property for trail use and supports the City's request for an additional 90-day extension in which to negotiate. A copy of the City's request is attached hereto as **Exhibit A** and hereby made a part hereof.

Sincerely,



Attachment

cc: City of Modesto

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**CITY of MODESTO**

*Parks,  
Recreation and  
Neighborhoods  
Department*

*1710 Tenth Street  
Suite 400  
P.O. Box 612  
Modesto, CA 95353  
209/577-5344  
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*Hearing and Speech  
Impaired Only  
TDD 209/526-0211*

July 19, 2011

Honorable Cynthia T. Brown  
Chief, Section of Administration, Surface Transportation Board  
395 E Street, S.W.  
Washington, DC 20423-0001

Dear Ms. Brown:

RE: Union Pacific Railroad Company Abandonment in Modesto, Escalon, Stanislaus  
and San Joaquin Counties, California; STB Docket No. AB-33 (sub-no. 278X).

On July 31, 2009, the Surface Transportation Board issued a "Decision and Notice of Interim Trail Use or Abandonment" whereby the Union Pacific Railroad (UPRR) would be required to negotiate with the City of Modesto for a trail use agreement. A 180-day public use condition was imposed, commencing from August 1, 2009, and ended on January 28, 2010. The 180-day public use condition was to allow Modesto the needed time to assemble and review title information complete a trail plan and to negotiate an agreement with UPRR for use of the right-of-way as a trail.

On January 26, 2010, the City of Modesto requested and was granted an additional 90-day extension to continue negotiations with the UPRR. This 90-day extension expired on April 28, 2010. On April 12, 2010, the City of Modesto requested and was granted an additional 180-day extension to the public use condition to allow more time for an appraisal of subject property and to negotiate with UPRR for use of the right-of-way as a trail. That extension expired on October 25, 2010 and the City of Modesto requested and was granted by the Surface Transportation Board an additional 180-day extension to the public use condition. That extension expired on April 23, 2011, and the City of Modesto requested and was granted by the Surface Transportation Board an additional 90-day extension to the public use condition. The latest extension is set to expire on July 22 and the City of Modesto has not been able to reach an agreement with the UPRR for trail use. Therefore, we are asking for a time extension of an additional 90 days so as to continue negotiations with UPRR.

Thank you for your consideration of this important request.

By my signature below, I certify service upon Union Pacific Railroad Company  
Director of Real Estate-west/1800 Farnam Street/Omaha, Nebraska 68102, by Federal  
Express priority overnight delivery on July 19, 2011.

Sincerely,

Julie G. Hannon  
Director